Declassified in Part - Sanitized Copy Approved for Release 2012	/10/23 : CIA-RDP07C00121R001000290001-7
Directorate of Intelligence	Secret
(§ Intelligence	

25X1

## Sino-Soviet Relations: Impact of Gorbachev's New Thinking

25X1

A Research Paper

Secret

SOV 88-10050X EA 88-10030X July 1988

<sup>opy</sup> 548



25X1

## Sino-Soviet Relations: Impact of Gorbachev's New Thinking

25X1

A Research Paper

This paper was prepared by

Office
of Soviet Analysis, and

Asian Analysis

25X1 25X1

Comments and queries are welcome and may be directed to the Chief, Regional Policy Division, SOVA,

25X1

Reverse Blank

Secret SOV 88-10050X EA 88-10030X July 1988

Declassified in	n Part - Sanitized Copy	Approved for Release 2012/10/23 : CIA-RDP07C00121R001000290001-7	25X1
		Sino-Soviet Relations: Impact of Gorbachev's New Thinking	25X1
	Summary Information available as of 8 July 1988 was used in this report.	In his speech at Vladivostok in July 1986, General Secretary Gorbachev made it clear that Moscow intends to increase its influence in Asia and exert itself as an Asian political and economic actor rather than just as a military power. The chief target of Soviet courtship in Asia is China. Although efforts to improve Sino-Soviet relations began under General Secretary Brezhnev, a watershed was reached in 1986 when Moscow agreed to discuss Beijing's "three obstacles" to improved relations—the Soviet invasion of Afghanistan, Moscow's support for Vietnam's occupation of Cambodia, and the Soviet military buildup in Mongolia and along the Sino-Soviet border. Since then, there has been steady progress in the relationship.	25X1
		The range and level of political contacts between Soviet and Chinese officials have grown, and cultural and other nonpolitical contacts are now almost daily occurrences. Border tensions have been reduced, progress has been made on the border demarcation issue, and each side has begun to portray publicly the other's experience in economic reform in a positive light. Although Beijing continues to resist Moscow's calls for a summit and resumption of party-to-party ties, there is an increased likelihood of a high-level visit to one capital or the other within the next year by foreign ministers, premiers, or presidents.	25X1
		Both sides seek a stable, nonconfrontational environment in order to concentrate on domestic reforms and modernization. They also seek to use improved relations to increase their leverage with Washington and otherwise improve their respective ability to maneuver within the Sino-Soviet-US strategic triangle. The Soviets may still have some hope of bringing the Chinese back into the "socialist" fold, but for now and the foreseeable future they would settle for a China that follows a middle course between the United States and the USSR. In the near term, Moscow would like the array of Sino-Soviet contacts to match China's existing relationships with the United States—including regular high-level visits and some form of military contact.	25X1
		Moscow is probably pleased with the progress in relations to date and is unlikely to try to force the current pace by making a characteristic "grand gesture." Domestic constraints and the risk of damaging relations with third-country allies limit the areas in which Gorbachev can even make such a gesture. For example, he would face opposition from the military to	

Secret		2
		۷.
÷		
•	making significant unilateral troop cuts along the border and would be	
	unlikely to wage such a domestic battle for an uncertain Chinese re-	
	sponse—although constraints are not as great to additional drawdowns	
	from the relatively small number of Soviet troops stationed in Mongolia.	
	The Soviets, in our view, are also not prepared to withhold economic or mil-	
•	itary support to Hanoi in an effort to prod the Vietnamese out of	
	Cambodia; Moscow does not want to damage its overall relationship with	
	Vietnam and is especially reluctant to risk losing access to Cam Ranh Bay.	
	victiani and is especially rejuctant to risk losing access to Cam Raini Bay.	2
		-
•	Beijing, for its part, is not prepared to respond with a grand gesture of its	
	own and would resent Moscow's efforts to force relations forward in this	
	way. The Soviets, therefore, are likely to continue to nudge the Chinese to	
	upgrade relations by making small unilateral gestures to ensure that	
	progress continues toward eventual rapprochement. These could include	
	concessions on the border dispute, more movement on a Cambodian	
	settlement, or a small withdrawal from the border.	
	settlement, or a small withdrawar from the border.	
	Although Moscow would probably not offer militarily significant unilateral	
	troop cuts along the Sino-Soviet border as a concession, several factors	
	could persuade it to consider and implement smaller cuts if the political cli-	
	mate were right for such a gesture. Even with small cuts, the Soviets could	
	retain an overall advantage in air and ground forces along the border. The	
	political leadership, already pressuring the Soviet military to reduce and	
	conserve resources, may conclude that reducing tensions along the Sino-	
	Soviet frontier is one of the conditions necessary to allow the reallocation of some resources from the military to the civilian sector.	,
	some resources from the mintary to the civilian sector.	
	In our view, a resolution of the territorial dispute along the border is a pre-	
	requisite to any significant troop cuts in the region but would not	
	necessarily block additional troop cuts in Mongolia. Gorbachev could face	
	opposition from within the leadership, however, to making more conces-	
	sions on troop withdrawals or on the territorial issues. He is unlikely to	
	make any bold moves on the disputed islands and "throw away" what could	
	be an important bargaining chip in the future for an uncertain Chinese	
	response. Gorbachev would probably first need tangible evidence of	
	Chinese willingness to agree to a mutually acceptable border accord and	
	assurances that the Chinese would be willing to seriously discuss mutual	
	force reductions along the border.	2
	10.00 round tions the border.	۷.
•	Beijing appears to have decided that Gorbachev is sincerely striving to	
	reduce Sino-Soviet tensions as part of his effort to create a more peaceful	
	international environment in which to pursue domestic reform. Chinese	
	Kremlin-watchers, however, continue to debate the extent of Gorbachev's	

Declassified in Part - Sanitized Copy Approved for Release 2012/10/23 : CIA-RDP07C00121R001000290001-7	25X1
flexibility and his staying power in the face of continued opposition at home. Beijing may also be concerned that warming US-Soviet relations will lessen its leverage in the strategic triangle, and it therefore may be more receptive to Soviet efforts to move the Sino-Soviet relationship forward. China uses the three obstacles as a tool to control the pace of progress in political relations with Moscow. By reserving the right to determine whether Soviet actions on the obstacles are significant, Beijing can raise or lower the price to Moscow of improved relations. The Chinese thus are capable of declaring at any time that Moscow has sufficiently met Beijing's concerns on the obstacles to warrant an upgrading of political relations.	25 <b>X</b> 1
We can identify no strong pro-Soviet constituency in the Chinese leader-ship, and fear of imperiling crucial trade, technology, and other ties between China and the West inhibits even those who would like to see China follow a middle road between the superpowers. Some leaders support treating the two superpowers as more or less equivalent, but their statements suggest that they are not so much pro-Soviet as suspicious of the West.	25X1
Perhaps the most important impediment to full normalization of Sino-Soviet relations is the firm opposition of China's top leader, Deng Xiaoping. Deng is deeply distrustful of the Soviets and skeptical that greatly improved relations with the USSR would yield significant benefits for China. We believe he has already achieved his main goal—relaxation of tensions on the border. Deng tightly controls Chinese policy toward the Soviets, and, while some other senior leaders favor a less restrictive policy, they have been unable to influence this issue much. After Deng's death, we expect some softening on the Chinese side. For pragmatic reasons—trade advantage, cheaper goods, increased leverage in the strategic triangle—Deng's successors will probably accelerate China's gradual policy of relaxation.	25X1
The Chinese belief that the Soviet Union will remain the principal threat to China over the long term and recognition that Soviet and Chinese aspirations in Asia will continue to be at odds will prevent a return to the alliance relationship of the 1950s. The Chinese are sensitive about their sovereignty and position within the socialist community, and, despite Soviet assurances that Moscow wants a relationship based on equality, Beijing will remain skeptical of Soviet overtures. Both countries need Western technology and capital for their respective modernization drives, and China, in particular, would be careful not to jeopardize its access to the West by entering into an alliance with the Soviets.	25X1

Declassified in Part - Sanitized Copy Approved for Release 2012/10/23 : CIA-RDP07C00121R001000290001-7	7
	25 <b>X</b> 1

Although a closer relationship may lead Moscow and Beijing to be tougher in their bargaining positions with the United States—especially if both see their leverage in the strategic triangle as enhanced by closer relations—better Sino-Soviet relations would not necessarily have a negative impact on US interests across the board. Should the Soviets and Chinese, for example, begin to cooperate on such issues as jointly restraining North Korea or pressing Vietnam and the resistance toward a Cambodian settlement, this cooperation could have positive implications for stability in East Asia.

25X1

Secret vi

Declassified in Part - Sanitized Copy Approved for Release 2012/10/23 : CIA-RDP07C00	)121R001000290001-7

25X1

### **Contents**

	Page
Summary	iii
Introduction	1
Political Contacts Growing, Moscow Pushing for Party and Military Contacts To Follow	2
Steady Progress in Other Areas	. 3
Movement on the Obstacles	7
Cambodia	7
Afghanistan	9
The Military Buildup Along the Border	10
Progress in the Border Talks	11
Domestic Constraints on Gorbachev	11
The Chinese Domestic Equation	14
Outlook	15

# Appendix Chronology of Sino-Soviet Relations Since 21 December 1984 17

Declassified in Part - Sanitized Copy Approved for Release 20	12/10/23 : CIA-RDP07C00 <u>121R</u> 001000290001-7	
•		
·		25X1
Sino-Soviet Relations: Impact of Gorbachev's New Thinking		25 <b>X</b> 1
In his speech at Vladivostok in July 1986, General Secretary Gorbachev made it clear that Moscow intends to increase its influence in Asia and exert itself as an Asian political and economic actor rather than just as a military power. The chief target of Soviet courtship in Asia is China. Both the USSR and China seek a stable and nonconfrontational relationship—especially along their border—to concentrate on domestic reforms and modernization. Both sides also seek to use their improving relations to increase their leverage with Washington and their respective ability to maneuver within the Sino-Soviet-US strategic triangle.	the Chinese international relations journal, Liaowang, was the first Chinese interview with a Soviet leader in more than two decades. It was clearly intended to capitalize on any nervousness in Beijing created by the Soviet-US summit in Washington to encourage the Chinese to upgrade the level of the Sino-Soviet political dialogue. Although the Chinese told the US Embassy in Beijing that Liaowang did not have prior Ministry of Foreign Affairs permission for the interview and Chinese press accounts of the interview omitted Gorbachev's call for a summit, we suspect Beijing may have intended to prepare educated Chinese readers for—and remind the West of—the possibility of an eventual breakthrough in Sino-Soviet political contacts.	25X1 25X1
Moscow seeks a normalization of relations with China marked by the resumption of party-to-party ties. It has repeatedly called for a summit and would probably view one between Gorbachev and Deng Xiaoping as a major step toward the resumption of party ties even though Deng is not the leader of the party. The Soviets may still have some hope of eventually bringing the Chinese back into the "socialist" fold but for now and the foreseeable future would gladly settle for a China that follows a middle course between the United States and the USSR. To this end, Moscow would like the array of Sino-Soviet contacts eventually to match China's existing relationships with the United States—including regular high-level visits and some form of military contact. In addition, Moscow may want to codify the relationship with a statement of principles—similar to the declaration on "basic principles of relations" signed by the United States and USSR in 1972—that would include some form of nonaggression clause.	Moscow, for its part, probably is convinced the publication of the interview is proof that Soviet efforts to address Beijing's "three obstacles" to normalization are not being dismissed as merely rhetoric. A Soviet Foreign Ministry official told US Embassy officials in Moscow in February 1988 that the interview could not be interpreted as anything but a "calculated political move" by Beijing. Moscow also lost little time in highlighting the Moscow summit—which occurred two weeks before the 12th round of Sino-Soviet normalization talks was scheduled to begin—to prod the Chinese to move relations forward.  The recent warming of US-Soviet relations has, in fact, apparently left Beijing wondering about the implications for China. Chinese officials and scholars have expressed concern to US researchers that Washington may devalue its relations with Beijing as warmer US-Soviet ties develop and may be less receptive to Chinese positions on a range of bilateral	25X1
Moscow is taking advantage of warming Soviet-US relations in the wake of the INF agreement and the Soviet-US summits in Washington and Moscow to	The "three obstacles" are the Soviet invasion of Afghanistan, Moscow's support for Vietnam's occupation of Cambodia, and the Soviet military buildup in Mongolia and along the Sino-Soviet border.	
encourage China to respond to Soviet initiatives to improve bilateral relations. Gorbachev's call for a summit in his interview published in January 1988 in		25 <b>X</b> 1

1

issues, such as technology transfer and Taiwan. The Soviet-US summit in Washington and the INF agreement also coincided with a period of Sino-US tensions over Tibet, human rights, family planning, and Washington's decision in October 1987 to suspend a planned liberalization of sensitive high-technology exports to China because of Chinese Silkworm missile sales to Iran. Although the United States lifted its freeze on further liberalization of technology exports to China in March 1988, China may still conclude that progress in its relations with the USSR might make the United States more responsive to Chinese concerns on other issues.

## Political Contacts Growing, Moscow Pushing for Party and Military Contacts To Follow

Under Gorbachev the range and level of political contacts have grown, although both sides acknowledge that such contacts are still limited. Moscow began briefing the Chinese after Soviet-US arms control talks in Geneva and sent Deputy Foreign Minister Rogachev to Beijing after the Reagan-Gorbachev summits in Washington and Moscow, according to press reports. Moscow and Beijing also publicized that they have begun to exchange views on regional issues such as Latin America.

The Soviet and Chinese Foreign Ministers meet regularly under UN auspices at the opening of the General Assembly each year, but China has refused to schedule the exchange of foreign ministers' visits to each other's capitals agreed to in 1985. Foreign Minister Shevardnadze and the new Chinese Foreign Minister Qian Qichen—previously Vice Foreign Minister and chief negotiator at the Sino-Soviet normalization and border talks-met in June 1988 at the Third UN General Assembly Special Session on Disarmament. This represented an additional venue for a meeting, although still within the auspices of the United Nations. Because of Qian's focus and expertise on Soviet affairs, Moscow may believe that the promotion in April 1988 of Qian Qichen to Foreign Minister is a sign that the USSR will play a prominent role in Chinese foreign policy and that an exchange of visits by the foreign ministers within the next year has become more likely. In fact, a Soviet diplomat told

US Embassy officials in Beijing in early July 1988 that the Chinese proposed a special vice ministerial meeting later in the month to discuss Cambodia and that a successful meeting could lead to a meeting of foreign ministers in September. It is not clear whether such a meeting would be at the United Nations or whether it would be a separate meeting in either Moscow or Beijing.

25X1

25X1

25X1

25X1

Chinese leaders believe that Gorbachev sincerely desires better relations and are more receptive to Soviet political overtures, although they are still careful to avoid any appearance of party-to-party relations. The distinction between party and state is often murky, and many of the delegates visiting each country serve in both a governmental and party capacity. In practical terms, the resumption of party-to-party connections would probably not accomplish much more than transactions through existing government channels, but it would be of great symbolic significance. Beijing is sensitive about its sovereignty and position within the socialist community, and, despite Soviet assurances that Moscow wants a relationship based on equality, Beijing is not ready to move as close to Moscow as restored party ties would bring it. Moscow tends to handle contacts with the Chinese in party channels to ease the way for the formal resumption of party ties, while China handles them only in governmental and nonofficial channels, reiterating that it is not ready to restore party ties.

Soviet press coverage of the Chinese party congress and Chinese media treatment of the 70th anniversary of the Bolshevik Revolution in the fall of 1987 illustrate Soviet courting of China through party channels and China's positive but cautious response through nonparty channels. The Soviets publicized Gorbachev's message of congratulations to Zhao Ziyang on his election as General Secretary of China's Communist party—congratulations never acknowledged in the Chinese press—and Party Secretary Dobrynin received the head of the Chinese Friendship Association delegation attending the Bolshevik Revolution anniversary. For the anniversary, Zhao Ziyang—using his nonparty title of Premier of the State Council—as well as others sent greetings to

2

nese also hosted a reception in the Great Hall of the People and had Vice Premier and Politburo member Wan Li—identified in Chinese media only in his governmental position—attend a reception at the Soviet Embassy.

President Gromyko and Premier Ryzhkov. The Chi-

At a reception in February 1988 marking the 70th anniversary of the founding of the Soviet army, Soviet Defense Minister Yazov—in a speech subsequently cited without comment in the Chinese press—extended Soviet courting of China to the military sphere by putting a positive gloss on Soviet actions in East Asia and stressing positive changes in the military situation along the Sino-Soviet border. He noted that the elimination of SS-20s in Asia under the INF Treaty highlighted Soviet efforts toward military detente in Asia and claimed that the Soviets had reduced the number of their troops along the Sino-Soviet border in addition to the partial withdrawal from Mongolia in 1987. Yazov also sent greetings marking the 60th anniversary of the Chinese Army and congratulated Qin Jiwei on his appointment as Defense Minister after the Chinese National People's Congress—neither message was reported in the Chinese media. According to the US Embassy in Beijing, senior Chinese and Soviet military officers reportedly met in April 1988 as part of the working group on the Sino-Soviet border. These military contacts may have begun during boundary talks in August 1987 and marked the first formal military contacts in a decade.

#### Steady Progress in Other Areas

The range and level of economic, cultural, and scientific exchanges have steadily expanded since a sports agreement was signed in 1981. The Chinese have been more receptive to Soviet overtures under Gorbachev for expanding nonpolitical contacts, and exchanges of visits to the respective capitals and even to local areas have become almost daily occurrences. Moscow sees the trend in exchanges in these areas as setting the stage for movement in political relations.

Bilateral trade increased dramatically, from US \$300 million in 1982 to US \$2.6 billion in 1986 (see figure 1). Although trade declined by roughly 20 percent in

1987, the Soviets expect it to rise by 25 percent in 1988—a realistic expectation in our view—bringing it back roughly to 1986 levels. A number of factors contributed to the decline in 1987:

- Tight domestic grain supplies constrained Beijing's ability to meet export commitments.
- Chinese dissatisfaction with the quality and technical level of Soviet industrial equipment postponed many of the 24 industrial cooperation projects slated to take place under the five-year accord signed in July 1985.
- Trade reform and decentralization in both countries have made it more difficult for Beijing and Moscow to ensure that individual factories and trade corporations adhere to trade commitments made at the central level.

According to the US Embassy in Moscow, a Soviet official predicted in February 1988 that trade will return to the 1986 level but will not go beyond that in the near future, even if the countries iron out some of the specific problems that arose in 1987. Temporary disruptions resulting from the recent reorganization of Soviet foreign trade mechanisms, lack of quality products to trade, and lack of real experience in modern economics all pose growth constraints on trade in the near term. In the long term, both the USSR and China consider their access to Western technology and trade to be more valuable than their economic ties to one another and will probably continue to export their better quality goods to the West instead of to each other. Disputes over product quality have already surfaced.

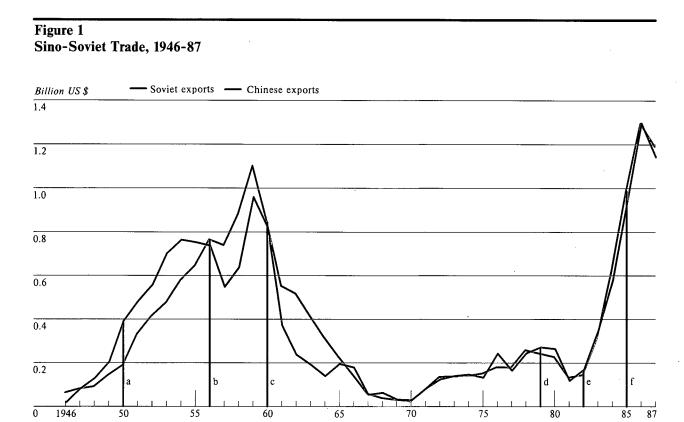
In 1987, Soviet exports consisted primarily of machinery, transport equipment, and industrial inputs. The rise in Chinese exports to the USSR resulted primarily from large increases in food deliveries and large quantities of clothing and basic textile products (see figure 2). Beijing is also particularly interested in Soviet technology in the energy and heavy-industry sectors and could benefit from Soviet assistance in

25X1

25X1

25X1

25X1



<sup>&</sup>lt;sup>a</sup> Thirty-year treaty signed; USSR advances \$300 million in long-term credits.

areas where it has been unable to attract Western investment, especially in the northwestern regions bordering on Soviet Central Asia.

Border trade has increased in importance now that local regions on both sides are allowed to engage in direct trade, and interior provinces are also permitted to trade goods through the border provinces. The USSR wants to accelerate economic development in

its far eastern regions and seeks Chinese food and consumer goods to increase incentives for Soviet workers in the region. In addition, Moscow may see the huge, capital-starved Chinese economy as an ideal market in its drive to increase the share of machinery and equipment sales in total exports. China views the

25**X**1

317809 7-88

25X1

<sup>&</sup>lt;sup>b</sup> Khrushchev launches de-Stalinization campaign.

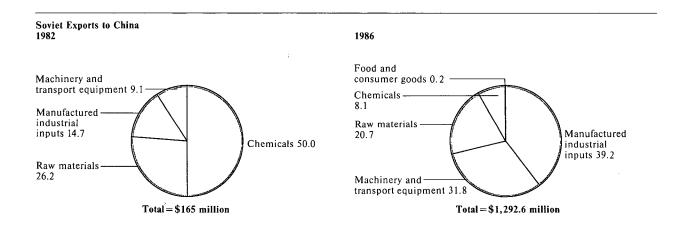
<sup>&</sup>lt;sup>c</sup> Moscow withdraws Soviet experts and cancels trade agreements in wake of Sino-Soviet border clashes.

<sup>&</sup>lt;sup>d</sup> China adopts policy emphasizing consumption over investment-leads to decrease in capital goods imports.

e Beijing declares Open-Door Policy and opens talks with Moscow.

f Five-year protocol for trade and economic cooperation signed.

Figure 2 **USSR-China: Composition of Trade** 



1986 Other 2.4 -Machinery and transport equipment-Other 11.9-Chemicals 5.2 -Consumer goods 12.8 Consumer goods 7.7 Raw materials Manufactured -51.2 industrial inputs 19.3 Food and live animals 24.0 Raw materials -Total = \$142 million 24.6

Source: Official Soviet and Chinese trade statistics.

Chinese Exports to the Soviet Union

25X1 317810 7-88

Food and live

animals 38.5

Total = \$1,294.6 million

#### Calculating Sino-Soviet Trade Figures

As with trade among most other socialist countries, the USSR and China exchange goods on a clearing-account basis. This practice is tantamount to a barter system since it provides for the exchange of goods for other goods with no currency changing hands. Temporary imbalances may occur but are expected to be settled over the course of future trade patterns. The Sino-Soviet clearing account is not valued in "transferable rubles"—an artificial, nonconvertible unit of account tied weakly to world prices—but Swiss francs in order to use a neutral currency.

When converted to dollars, Sino-Soviet trade has increased at a rate even faster than called for in bilateral trade protocols because of the depreciation of the dollar in recent years. Dollar figures for trade during the past three years have somewhat overstated the expansion of Sino-Soviet exchanges, while figures for the early 1980s are probably too low because the dollar was appreciating. Therefore, what appears to be only a 4-percent decrease in trade from 1986 to 1987, when calculated in dollars, actually represents a roughly 20-percent decrease when calculated in Swiss francs.

USSR as a good source for low-cost imports in the energy and heavy-industry sectors, where Soviet machinery and equipment, while not on a par with that found in the West, are sufficient for many of China's present needs. Sino-Soviet border trade also directly helps the depressed economies of border regions that cannot compete with the exports of the major populated areas and represents trade over and above that controlled by the annual bilateral agreements.

Both sides are cooperating to develop the infrastructure to accommodate increased border trade, including a railway link between the capital of Xinjiang Autonomous Region in China and the Sino-Soviet border through the Dzungarian Gate, which is expected to become operational in 1991. According to press reports, the USSR plans to provide a loan worth US

\$80 million to help China complete the railway link. According to Chinese media, Beijing issued a document in March 1988 designed to facilitate development of Xinjiang's export-oriented economy. Growth in border trade, however, is constrained in the near term by the limited size of the Soviet East Asian market and the limited variety of products manufactured on both sides of the border.

Scientific, cultural, and academic exchanges occur almost daily in the outlying areas as well as in Beijing and Moscow. In May 1988, Soviet Minister of Culture Zakharov visited China to sign an intergovernmental plan for cultural cooperation for the period 1988-90 to further develop these contacts, and *Pravda* editor Viktor Afanasyev led a delegation of journalists. Exchange visits of youth, trade union, media, medical, and Academy of Sciences' delegations have also become commonplace. Friendship delegations have exchanged visits, and scholars have visited to learn about the other country's economic reform program. Student exchanges resumed in 1983, and contacts between Soviet and Chinese think tanks are growing.

These academic and think-tank exchanges have coincided with an increase in discussions and commentaries on the parallel nature of Soviet and Chinese reforms. Although each side realizes the limited applicability of the other's reforms, the fact that Soviet and Chinese media over the last two years have portrayed them in a positive light is a reversal of the critical nature of past commentaries. The Soviets are no longer presenting the Soviet model of socialism as superior and one to be copied by all socialist countries, and the Chinese no longer publicly belittle Soviet reform efforts as too little, too late. Soviet media portray the parallel interest in economic reform as an important area of common ground that can form the basis for closer bilateral relations across the board. The publication of Deng Xiaoping's selected works in the USSR and the publication of Gorbachev's book in China further underscore the growing interest in learning about one another's experiences with reform. According to the US Embassy in Beijing, Soviet

25X1

25X1

25X1

25X1

diplomats have said that Abel Aganbeg'yan, a prominent Soviet reform economist, is scheduled to visit	Evolution of the "Three Obstacles"
China in the near future.	
	In 1982, China first formally enunciated its concerns
	over the Soviet invasion of Afghanistan, Vietnam's
Movement on the Obstacles	invasion of Cambodia, and Soviet troops in Mongolia
	and along the border as obstacles to improved rela-
At the ninth round of Sino-Soviet normalization talks	tions. Chinese Foreign Ministry officials told US
n October 1986, Moscow altered its approach to	Embassy officers in June 1982 that the three issues
Beijing's three obstacles to normalized relations by	precluded a warming in relations. At the first round
publicly abandoning its original position that these	of Sino-Soviet normalization talks in October 1982,
were "third-country" issues that Moscow was not	the Chinese cited these issues as the three main
empowered to discuss. Although efforts to improve	"obstacles" to improved relations. The Soviets
Sino-Soviet relations began under General Secretary	agreed to listen to what the Chinese had to say but
Brezhnev, the agreement in 1986 to discuss the three	contended that these were not appropriate subjects
obstacles—not just listen to what the Chinese had to	for the talks because they involved the internal
say about them—was a watershed and paved the way	affairs of third countries.
for the steady progress in the relationship to date.	
Since that time, the Soviets have withdrawn some	From 1982 to early 1986, Moscow and Beijing talked
croops from Mongolia and are withdrawing troops	past each other on the obstacles, and Moscow tried to
rom Afghanistan.	improve relations with Beijing without directly ad-
	dressing them. The Soviets contended that the obsta-
Beijing seems to use the three obstacles as a tool to	cles were artificial barriers that the Chinese would
control the pace of progress in political relations. By	ignore when it suited them. The Chinese, however,
reserving the right to determine whether Soviet ac-	remained skeptical of Soviet overtures and continued
tions on the obstacles are significant, Beijing can raise	to cite the three obstacles as a statement of their
or lower the price to Moscow of improved relations.	concerns, as a way to reassure Washington that they
Beijing thus is capable of declaring at any time that Moscow has sufficiently met China's concerns on the	remain wary of the Soviets, and as a means of letting the Chinese domestic audience know that they have
obstacles to warrant an upgrading of political rela-	not acquiesced to the Soviets.
tions, possibly to include a summit.	not acquiesceu to the Soviets.
ions, possioly to merado a summit.	
Cambodia	
The USSR wants an eventual political solution in	
Cambodia, but	Moscow clearly hopes that its highly visible public
Moscow's immediate objective is to convince the	efforts to promote negotiations will be enough to
Chinese that it is trying to address their concerns. To	convince Beijing of its sincerity:
this end, the Soviets have stepped up the level of their	
nvolvement in the search for a negotiated settlement.	• The Soviets publicly supported the talks in France
They have not yet, however, appeared willing to strain	in December 1987 and January 1988 between resis-
relations with Hanoi by publicly adopting positions	tance leader Prince Sihanouk and Cambodian
that could undercut Vietnamese interests or by pri-	Prime Minister Hun Sen
vately threatening Hanoi with reduced military or	

7.

Secret

economic aid. Moscow is reluctant to jeopardize its own position in Vietnam and risk losing access to Cam Ranh Bay—the largest Soviet overseas military facility outside the Warsaw Pact—especially if the United States retains its bases in the Philippines. Instead,

• A Soviet Embassy official in Beijing has confirmed to US Embassy officials that the Soviets themselves, as reported in a Western press story, are willing to		25X
meet with resistance leader Prince Sihanouk.	the Soviets are emphasizing to Vietnam their growing impatience with the stalemate in Cambodia and the economic burden on Moscow of Vietnam's occupation.	25 <b>X</b> 1 25 <b>X</b> 1
		25 <b>X</b> 1
Moscow also publicly supported the Cambodian	the Chinese believe the Soviets are becoming more forthcoming on	25 <b>X</b> 1
Government's five-point peace proposal of October 1987, which calls for, among other things, a coalition government that would include the three resistance factions and a senior government post for Sihanouk.	the Cambodian issue. They told Under Secretary of State Armacost in November 1987 that the Soviets were somewhat more flexible during the discussions in Beijing in October 1987. Moscow agreed for the first time that Cambodia should emerge as a neutral	25 <b>X</b> 1
The Soviets may also be resorting to indirect public pressure on Hanoi to withdraw from Cambodia. A report in the Western press in February 1988 quoted an unnamed Soviet diplomat in Beijing as saying that Vietnam would withdraw by 1990 because the burden of its presence in Cambodia was "intolerable"—leaving it ambiguous whether the burden was intoler-	country and offered to help bring about a political settlement. In June 1988 a Chinese Foreign Ministry official told US Embassy officials that Moscow apparently had exerted pressure on Vietnam to encourage a partial withdrawal of Vietnamese troops from Cambodia—referring to Vietnam's announcement that it will withdraw 50,000 troops from Cambodia in 1988—therefore giving Moscow credit for influencing	
able to Hanoi or to Moscow. A Soviet Embassy official in Beijing told the US Embassy that the article was meant as a hint to Vietnam of Moscow's dissatisfaction with the Cambodian situation. Despite the official's claim that the interview was aimed at Hanoi, however, the choice of a diplomat in Beijing to give the interview to the Western press suggests that the article was intended at least as much to impress	Hanoi's decision.  Beijing has altered its position on the obstacles somewhat, from demanding resolution of all obstacles to singling out Cambodia as a prerequisite for a summit. The Chinese have also changed their rhetoric on the Cambodian obstacle, from calling on Moscow to force Vietnam to withdraw from Cambodia to calling on	25X1
China and the West as to prod Hanoi. In any case, the	Moscow to "urge" Vietnam to withdraw.	25 <b>X</b> 1
story was the first public statement by the Soviets	China continues to cite the	25X1
about the financial burden of Vietnam's occupation of Cambodia.	Cambodian obstacle in order to counter Soviet claims of progress in relations. Nevertheless, the fact that	25 <b>X</b> 1
Moscow may also be moving in private to go a step further toward satisfying China's demands that the	China has singled out Cambodia as the main obsta- cle—and links it alone to a Sino-Soviet summit— raises the possibility that progress on this issue could	•
USSR "urge" Vietnam to withdraw.  Soviets have begun to prod the	create an opening for a breakthrough in political relations.	25X1 25X1
Vietnamese more energetically to seek a political settlement. Moscow is asking Hanoi to "retreat somewhat from its maximum demands" concerning Cam-	Beijing has also adjusted its position in the past few	25X1
bodia, and is talking directly to Hanoi's client regime in Phnom Penh about a	months to demonstrate a willingness to compromise. China's press offered support for Sihanouk's efforts in	25 <b>X</b> 1
settlement.		25X1

his negotiations with Hun Sen in January 1988, despite reservations by Pol Pot's faction, the Khmer Rouge, which is the most powerful resistance group and backed only by Beijing. The Chinese	diplomats in Bangkok are claiming that cut off material supplies to the Khmer I complete Vietnamese withdrawal. This er, is probably contingent on an end to support to People's Republic of Kampuo
no longer support the Khmer Rouge as the "main body" in a future government, although they do want	part of a "freeze" on forces alluded to in point proposal.
the group to be represented. Although Beijing worries	point proposar.
that Sihanouk might negotiate an agreement it cannot	Afghanistan
live with, it apparently recognizes that Moscow, by	Chinese officials have stated
pressuring Hanoi and Phnom Penh to negotiate with	the Soviet presence in Afghanistan does
Sihanouk, has taken a step toward accommodating	China, and Afghanistan has clearly bee
Chinese interests.	important of the obstacles to the Chines
Datting to markett and a first state of	less, Beijing has reacted positively to M
Beijing is probably concerned about the increase in	ment to withdraw. Even before this agree
diplomatic activity on Cambodia in the past few months—including Vietnam's latest withdrawal an-	softened its usual media criticism on the
nouncement and media reports of Vietnam's willing-	of the Soviet invasion in December 1987 commentaries have highlighted Soviet e
ness to participate in informal talks between the	ate an acceptable environment for with
Khmer parties and some representatives of the Associ-	days after Gorbachev's troop withdrawa
ation of Southeast Asian Nations (ASEAN). Beijing	8 February 1988, China's acting defens
probably prefers to see a continued stalemate in	London told the US Army attache that
Cambodia—an impasse that isolates Hanoi and sus-	be willing to cooperate in moving a sett
tains Beijing's improved ties to ASEAN—but it does	ward, perhaps by participating in an ob-
not want to be seen as the stumblingblock to a	monitor the Soviet withdrawal.
settlement. Although reluctant to get directly involved	
in the process, Beijing wants to ensure that its inter-	The Chinese continue to debate Gorbac
ests are protected in any talks on a settlement.	ty," but, in the longer term, we believe
According to the US Embassy in Beijing, after the	ence to the Geneva accords will have an
US-Soviet summit in Moscow, Chinese Foreign Ministry and think-tank officials expressed concern that	China's assessment of Moscow. Thus fa
the United States and the USSR were negotiating	China has given no public signal that it its relationship with Moscow because of
behind China's back on the Cambodian issue. Beijing	accords. In the near term, Beijing appar
apparently was concerned that it was not kept suffi-	employing its traditional strategy of ask
ciently informed on the Afghan negotiations and	once its original conditions have been m
therefore may be sensitive to the increased diplomatic	1988 Chinese news agency report noted
activity on Cambodia.	Soviet troop withdrawal does not mean
	settlement of the Afghanistan question'
In early July 1988 the Chinese appeared to be taking	for Moscow to undertake "its unshirksh

a more activist approach to Cambodia. Beijing announced a four-point proposal on Cambodia, representing a departure from its practice of initiating proposals through the Cambodian resistance. The proposed special meeting on Cambodia between vice foreign ministers also took Soviet diplomats in Beijing by surprise since the Chinese had taken a very hard line on Cambodia at the normalization talks in mid-June, according to US Embassy reporting. Meanwhile, in addition to the four-point proposal, Chinese

China will Rouge after a offer, howev-Hanoi's chea forces as China's four-

that s not threaten n the least se. Nevertheloscow's agreeeement, China e anniversary 7, and Chinese efforts to credrawal. A few al statement on se attache in Beijing would lement forserver force to

hev's "sinceri-Soviet adhern impact on ir, however, is reevaluating f the Geneva rently is king for more net. A 16 May that "the the final ' and called Moscow to undertake "its unshirkable responsibility of restoring Afghanistan's peaceful and neutral status." According to the US Embassy in Beijing, as of late April 1988, China's Foreign Ministry was debating whether it would require more than the withdrawal of Soviet troops to declare that the Afghanistan obstacle had been overcome.

25X1

25X1

25X1

ZDXT 25X1

25X1

25X1

25X1

25X1

9

#### The Military Buildup Along the Border

The Soviets withdrew one of their five divisions from Mongolia last year, playing it up as one more unilateral gesture to reduce military tensions with China. They have given considerable play to the INF agreement in their propaganda aimed at China, presumably because the Chinese have included the SS-20s in the Soviet Far East as part of the buildup of Soviet forces along the border. Defense Minister Yazov claimed in his speech in February 1988 that the USSR has not added to its ground forces in Asia for a number of years and has not increased the size or scope of military exercises in the region. In fact, although the Soviets have kept the size of their exercises constant, they continue to gradually modernize their ground, air, and naval forces in the region.

Soviet withdrawal of one division as a concession, China, for its part, minimized the gesture in its media and public comments. The Chinese media called for the withdrawal of all divisions from Mongolia, and, in Beijing's view, the Soviet military presence in Mongolia is only one part of the problem of the Soviet military buildup along China's northern border.

tension has lessened somewhat along the Sino-Mongolian and Sino-Soviet borders over the past four or five years. In fact, the Chinese media reported in May 1988 that China is exporting workers to a small Soviet farm venture across the border from the Chinese city of Suifenhe. Beijing was previously reluctant to send workers to parts of the Soviet Far East that were once under Chinese rule. Both sides played down a border incident in July 1986. The Chinese ignored a wayward Soviet missile that apparently landed on the Sino-Soviet border in September 1986 and they continue to ignore occasional Soviet aircraft intrusions into Chinese airspace. On the negative side, the Chinese do take exception to the Soviet reconnaissance flights over the sensitive Yellow and East China Seas, where Beijing conducts missile tests. The reconnaissance missions involve overflights of North Korea, which granted the Soviets overflight

rights before the first flight in December 1984. Apparently in return, Moscow promised to provide P'yongyang with advanced Soviet weapons.

Moscow has proposed confidence-building measures along the border, such as notification of troop movements and mobilization and invitations to observe military exercises, but Beijing continues to insist that Moscow first reduce its forces along China's northern perimeter. Moscow probably would not offer significant troop cuts as a unilateral concession, despite its overall advantage in air and ground forces along the border (see figure 3). Instead, Moscow would probably consider such a move only as part of a broader political agreement involving some form of Chinese reciprocity—either a mutual force reduction agreement or assurances to move the political relationship forward. The Soviets, however, could withdraw two or three more divisions from Mongolia.

Several domestic factors could persuade Moscow to consider and implement substantial military drawdowns when bilateral relations progress to a point where the Chinese are more receptive to such moves:

- The political leadership, already pressuring the Soviet military to reduce and conserve resources, concludes that cuts along the Sino-Soviet frontier are necessary to allow the reallocation of some resources from the military sector to the civilian.
- The warming of relations and increased economic ties, including border trade, generally lower tensions along the border and reduce threat perceptions.
- Soviet technological superiority and the ability to monitor Chinese activity along the border reduce the element of surprise and therefore enable Soviet forces to pull back somewhat from the border without substantially lowering defense capabilities.

25X1

25**X**1

25X1

25**X**1

25**X**1

25X1

Secret

10



Organizational and structural changes in Mongolia's four divisions might enable it to protect Soviet security interests to a greater extent in the future.
 The ongoing redeployment of Mongolian Army assets to the primary avenues of approach may be an indication of Soviet intentions to eventually shift more of the defense burden to indigenous forces.

#### Progress in the Border Talks

Although the border demarcation issue is not one of the three obstacles, the Soviets, in our view, regard a solution to this dispute as a prerequisite to any significant troop cuts along the Sino-Soviet border. A breakthrough on the border issue could set the stage for progress on other issues as well. Soviet concessions on the border to date already signal to the Chinese that Moscow is no longer treating Beijing as an unequal partner—a primary source of continual tension.

Gorbachev broke the impasse on the border issue at Vladivostok when he publicly announced Soviet agreement with the long-held Chinese position that the eastern border passes along the main channel of the Amur River, in effect acknowledging Chinese claims that the disputed islands in the river are on China's side of the border. (This position has been privately accepted by Soviet border negotiators since the 1960s, but, even so, the Soviets always excluded the main islands opposite the Soviet city of Khabarovsk.) Two months later, in September 1986, Foreign Minsters Wu and Shevardnadze announced that both sides had agreed to resume border talks at the deputy minister level after a nine-year suspension. Beijing and Moscow conducted a joint survey of the Amur River during the summer of 1987 and signed an agreement in November on the use of border water resources. The working group agreed in February 1988 to conduct joint aerial photography of the eastern sector. The last meeting of the experts group was in early April and focused on the technical aspects of organizing joint aerial photography, which began in May. The Soviets are certainly aware that aerial photography will show that the islands are on the Chinese side of the main channel.

Border talks on the eastern sector, focusing on the riverine boundary, are steadily progressing. Talks, however, will most likely be protracted because a comprehensive border accord would also have to include an agreement on the disputed Pamir Knot region in the west, which will be addressed after negotiations on the east (see figure 4). We believe that, although Moscow is prepared eventually to return the more than 700 smaller river islands to Beijing, the main sticking point in negotiations will probably be the fate of the Tarabarovskiy and Bol'shoy Ussuriyskiy islands (jointly known as Heixiazi Dao) located directly across from Khabarovsk. The Soviets may eventually be willing to acknowledge Chinese ownership of those islands but will probably withhold such a concession until China seems more willing to make compromises in return, such as abandoning its claim to the Pamir Knot region or on some other issue. Gorbachev is unlikely to "throw away" what could be an important bargaining chip in the future for an uncertain Chinese response. Moscow may even be exaggerating the value of the islands as a negotiating tactic to elicit greater concessions from China in the future. The Soviets will also probably be careful to claim that the natural flow of the river has changed the border in order to avoid setting a precedent that could apply to the Northern Territories claimed by Japan or to any other disputed territories along the USSR's borders.

#### **Domestic Constraints on Gorbachev**

Gorbachev could face opposition within the leadership to making concessions to the Chinese on troop withdrawals from Mongolia and the Sino-Soviet border or on the territorial issues. If so, the sharpest criticism would probably come from the military and key leaders sympathetic to military concerns, such as KGB Chief Chebrikov and "Second Secretary" Ligachev. The military probably would oppose a return of the islands opposite Khabarovsk and would almost certainly disapprove of any Soviet proposal to unilaterally withdraw troops from the border area that could upset the current configuration of forces. Gorbachev would probably need tangible evidence of

25X1

25X1

25X1

25X1

#### Sino-Mongolian Relations

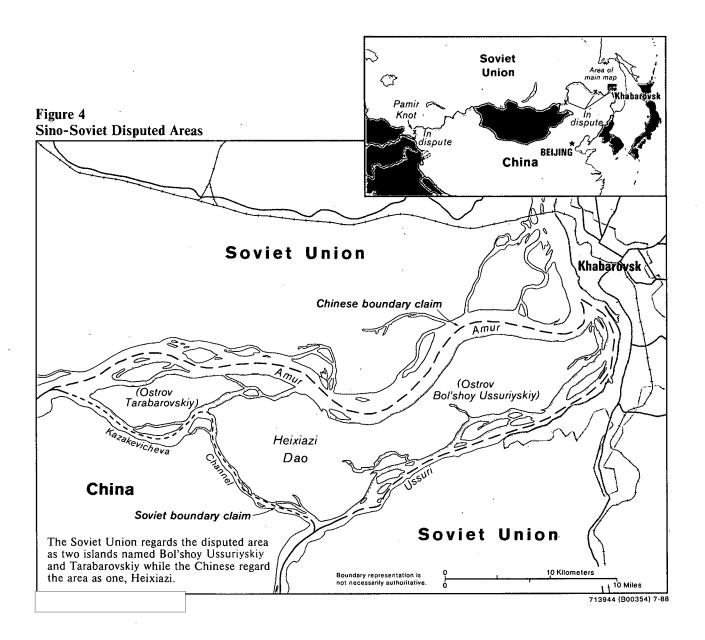
Mongolia has a deep historical fear of Chinese expansionism and has looked to Moscow for security as well as economic assistance. Ulaanbaatar was concerned about the implications of withdrawing one Soviet division last year, even though the withdrawal made little impact on the military balance. Mongolia's leadership is probably concerned that future Soviet initiatives designed to nudge Beijing toward Sino-Soviet rapprochement—such as further troop withdrawals—may be made at Mongolia's expense. Ulaanbaatar has been reticent to move Sino-Mongolian relations forward but may be fearful of falling too far behind the Soviets. For its part, Moscow may also be encouraging Ulaanbaatar to expand contacts with Beijing—including economic contacts—to facilitate its own efforts toward China.

Sino-Mongolian relations, therefore, have improved in tandem—albeit on a much smaller scale and with reluctance on the Mongolian side—with the improvement in Sino-Soviet relations. The exchange of students resumed in 1987, and the possibility of initiating town-to-town trade along the border is under discussion. Both sides also agreed in July 1987 to resume scientific and technological cooperation after a 20-year suspension, according to the US Embassy in Beijing. Progress in Sino-Mongolian relations may lessen Mongolian resistance to further Soviet troop withdrawals. The following is a chronology of Mongolian-Chinese relations since 1985

29 August 1985. Mongolian leader Batmonh, at a dinner hosted by Gorbachev, notes that Mongolians have been paying close attention to the process of normalizing Sino-Soviet relations—hinting at a Mongolian intent to respond more positively to recent Chinese gestures aimed at improving Sino-Mongolian ties.

- 8 August 1986. China and Mongolia sign a consular treaty in Ulaanbaatar, probably related to Beijing's interest in protecting overseas Chinese following the expulsion of 1,800 Chinese from Mongolia in 1983.
- 9 March 1987. China and Mongolia sign a border trade agreement and railway transport protocol in Hohhot, China.
- 29 April 1987. The Soviets begin a limited withdrawal of troops from Mongolia in a gesture to improve relations with China.
- 7 June 1987. China and Mongolia sign a border treaty in Ulaanbaatar.
- 18-25 June 1987. Visit of Chinese parliamentary delegation headed by National People's Congress Vice Chairman Peng Chong.
- 8 December 1987. Mongolia and China sign a trade protocol in Beijing.
- 28 January-5 February 1988. First round of Sino-Mongolian border trade talks held in Ulaanbaatar.
- 1 March 1988. Mongolia, North Korea, China, and the USSR sign a railway protocol in Ulaanbaatar.
- 11 April 1988. Chairman of the Mongolian Council of Ministers sends congratulations to Li Peng on his appointment as Premier of China's State Council.
- 2 May 1988. The Mongolian Civil Aviation Board begins direct air service between Ulaanbaatar and Beijing.

25X1



Chinese willingness to agree to a mutually acceptable border accord in exchange for Soviet concessions on the river islands in the east. He may also need assurances that the Chinese would be willing to seriously discuss mutual force reductions along the border, which he could probably sell at home as a way to channel savings into the domestic economy.

#### The Chinese Domestic Equation

We can identify no strong pro-Soviet constituency in the Chinese leadership, and fear of imperiling crucial trade, technology, and other ties between China and the West inhibits even those who would like to see China follow a middle road between the two superpowers. Many in the party have little interest in

25X1

25X1

sharply improved relations with the Soviets. They see China's interests as best served by expanded contact with the more technologically advanced—and wealthier—West. Some leaders, especially those in their fifties and sixties—many of whom are Soviet trained—support treating the two superpowers as more or less equivalent. Their statements suggest that they are not so much pro-Soviet as suspicious of the West. Some, such as Premier Li Peng, also have indicated that they believe greater economic ties to the Soviet Union would be advantageous to China. In particular, trade with the Soviets would preserve scarce foreign currency holdings.

Perhaps the most important impediment to full normalization of Sino-Soviet relations is the firm opposition of China's top leader, Deng Xiaoping. Deng is deeply distrustful of the Soviets and skeptical that greatly improved relations with the USSR would yield significant benefits for China. We believe he has already achieved his main goal—relaxation of tensions on the border. Deng tightly controls Chinese policy toward the Soviets, and, although some other senior leaders favor a less restrictive policy, they have been unable to influence this issue much.

Deng has the support of senior military leaders, who tend to follow his lead in foreign policy. Moreover, many of them share Deng's suspicions, remembering Soviet failure to support the Communists during the Chinese civil war and the experiences of the 1960s. However, many in the second tier of the military leadership, which includes a number of Soviet-trained generals, are in favor of a middle course between the United States and the USSR.

We expect some softening on the Chinese side after Deng's death; although the successor generation is not enthusiastic about the Soviets, most of them probably lack Deng's almost visceral dislike. For pragmatic reasons—trade advantage, cheaper goods, Soviet concessions, possible increased leverage in the strategic triangle—they will probably accelerate China's gradual policy of relaxation. We doubt, however, that Deng's successors will soon take the step the Soviets want—party-to-party relations. It remains an unpopular and potentially politically risky move with few apparent gains for China.

#### Outlook :

Moscow and Beijing appear to be moving toward an eventual rapprochement—albeit far short of the close relationship of the 1950s. Beijing is giving Moscow positive signals while carefully controlling the pace. We expect the Soviets will continue to try to nudge the Chinese to upgrade political contacts by making more unilateral gestures, perhaps including a withdrawal of a small number of troops from the border, more explicit public commentary on a Cambodian settlement, or concessions on the border dispute. Moscow may also attempt to elicit Beijing's public support in areas where parallel sentiments already exist such as on US policy toward Central America, the Strategic Defense Initiative, and concerns about Japanese defense policy, as well as to probe for new areas of possible convergence.

25X1

25X1

Although unlikely, we cannot altogether rule out a characteristic "grand gesture" by Gorbachev to push the Chinese further. Moscow is probably pleased with the progress in relations to date and is unlikely to try to force the current pace. Domestic constraints and the risk of damaging relations with third-country allies limit the areas in which Gorbachev can even make such a gesture. For example, Gorbachev would face opposition from the military—and probably key opponents in the Politburo—to making significant unilateral troop cuts along the border and would be unlikely to wage such a domestic battle for an uncertain Chinese response. The Soviets, in our view, are also not prepared to withhold economic or military support to Hanoi in an effort to prod the Vietnamese out of Cambodia; Moscow does not want to damage its overall relationship with Vietnam and is especially reluctant to risk losing access to Cam Ranh Bay.

25**X**1

25X1

Because the Soviets have already begun withdrawing their forces from Afghanistan, the only remaining area for a grand gesture would be the border demarcation dispute. Gorbachev could, for example, unilaterally announce that Moscow has decided to give China the disputed islands opposite Khabarovsk. He is, however, unlikely to "throw away" what could be an important bargaining chip in the future for an uncertain Chinese response.

The Soviets have had less success eliciting a positive Chinese response when they have pushed hard in public for a leap forward in relations—the Chinese were slow to respond, for example, to the Vladivostok speech—and Gorbachev is unlikely to risk destroying the current momentum by putting the Chinese on the spot. Beijing is not now prepared to respond with a grand gesture of its own, such as reestablishing full party-to-party ties, and would resent Moscow's effort to force the issue in this way.

Short of an all-out push for a full normalization of relations—which probably would include occasional summit meetings, periodic high-level meetings, and the restoration of formal party-to-party ties—the way seems clear for an exchange of visits by foreign ministers, premiers, or presidents within the next year. Both sides agreed in principle to a foreign ministers' meeting apart from the meeting held each fall at the UN General Assembly, but they have never followed through. This agreement could be reactivated, and a meeting could be set in either Beijing or Moscow, possibly in conjunction with the border talks or normalization discussions. A resumption of some form of military contacts would also be a sign of significant progress in the relationship.

Historical animosities, reciprocal perceptions of threat, and Beijing's reticence to upgrade relations will probably prevent a return to the alliance relationship of the 1950s. The Chinese are sensitive about their sovereignty and position within the socialist community, and, despite Soviet assurances that Moscow wants a relationship based on equality, Beijing will remain skeptical of Soviet overtures. Beijing also seeks to maintain an independent stance vis-a-vis Moscow and Washington and will avoid an alliance to maintain leverage within the triangle. Both China and the USSR need Western technology and capital for their respective modernization drives, and China in particular would be careful not to jeopardize its access by entering into an alliance with the Soviets.

Although a closer relationship may lead Moscow and Beijing to be tougher in their bargaining positions with Washington—especially if both see their leverage in the strategic triangle as enhanced by closer relations—better Sino-Soviet relations would not necessarily have a negative impact on US interests across the board. Should the Soviets and Chinese, for example, begin to cooperate on such issues as jointly restraining North Korea or pressing Vietnam and the resistance toward a Cambodian settlement, this cooperation could have positive implications for stability in East Asia. At the same time, however, the Soviets and Chinese will continue to compete for influence elsewhere in the region, especially in Southeast Asia and eventually in South Korea.

25X

25X1

25X1

25X1

25X1

#### Appendix

#### Chronology of Sino-Soviet Relations Since 21 December 1984

This chronology begins with First Deputy Premier Arkhipov's visit to China because it marked a breakthrough in Sino-Soviet contacts.

#### **21 December 1984**

Arkhipov arrives on a highly publicized visit to China; he is the highest ranking Soviet visitor since the 1960s. Three agreements are signed, calling for bilateral economic and technical cooperation; bilateral scientific and technical cooperation; and the establishment of a commission on economic, trade, and scientific and technical cooperation.

#### 28 December 1984

Bilateral agreement to increase the volume of trade from approximately \$1.3 billion in 1984 to \$1.7 billion in 1985.

#### 15 January 1985

Chinese Ambassador to Burma, after only one month in the country, hosts a private dinner for high-ranking officers of the Soviet Embassy; the Ambassador claims the dinner was possible because of improving relations between the two countries.

#### 3-14 March 1985

Chinese National People's Congress (NPC) delegation visits Moscow, the first parliamentary exchange in two decades. Politburo candidate member Kuznetsov is the top Soviet official to receive the Chinese group.

#### 10 March 1985

Soviet leader Konstantin Chernenko dies, Mikhail Gorbachev is named his successor.

#### 11 March 1985

General Secretary Gorbachev states in his acceptance speech that the Soviets desire a serious improvement in relations with China, given reciprocity in the talks.

#### 12 March 1985

While signing a condolences book at the Soviet Embassy, NPC Standing Committee Chairman Peng Zhen congratulates Gorbachev, calling him "comrade."

#### 14 March 1985

Vice Premier Li Peng, head of the delegation to Chernenko's funeral, meets Gorbachev, the highest ranking meeting between the two countries in 20 years. Li conveys General Secretary Hu Yaobang's congratulatory message and calls the Soviet Union a "socialist" country. Li states China's hopes for an improvement in "political relations."

#### 21 March 1985

High-level economic delegation led by State Economic Commission Vice Minister Zhao Weichang meets with Arkhipov to discuss bilateral transportation issues.

#### 26 March 1985

Chinese invite officials from Moscow's Institute of the Far East, once renowned as a hotbed of anti-Chinese propaganda, to a reception in Moscow.

#### 30 March 1985

Soviets brief the Chinese on Shultz-Gromyko meetings in Geneva; Soviets state hopes for reciprocity in these talks.

#### 4-5 April 1985

Soviet friendship delegation arrives in China and on 5 April signs plan for 1985 program.

#### 5 April 1985

Bilateral protocol is signed in Beijing calling for the exchange of 200 students and trainees during the 1985/86 academic year.

#### 9-22 April 1985

Sixth round of Sino-Soviet Political Talks in Moscow. On 22 April, TASS carries a joint statement identifying, among other areas, "political relations" as an issue for improvement.

17

#### 23 April 1985

In a speech celebrating the 115th anniversary of Lenin's birth, Geydar Aliyev, First Deputy Chairman of the Council of Ministers, states that the Soviet Union is striving seriously for an improvement of relations with China based on reciprocity.

#### 4 June 1985

Protocol signed for a short-term exchange of TASS and Xinhua staff members.

#### 13 June 1985

Talks on consular affairs end in Beijing, and the two sides reportedly agree to simplify visa procedures and to reopen consulates in Shanghai and Leningrad.

#### 26 June 1985

Gorbachev speech in Dnepropetrovsk notes that the USSR intends to make an active effort to overcome the "negative patch" in Sino-Soviet relations.

#### 1 July 1985

Gromyko replaced as Foreign Minister by Shevardnadze—a development that several Soviet officials portray as a sign Gorbachev wants a new Asian policy.

#### 16 July 1985

Chinese Vice Premier Yao Yilin concludes week-long visit to the USSR, during which the two sides sign agreements on bilateral trade covering 1986-90 and economic cooperation. Yao Yilin is received by Premier Tikhonov on 11 July, but Gorbachev is unavailable, having gone to Minsk for a conference with Soviet military leaders.

#### 8-16 August 1985

Soviet trade union delegation visits China, first such visit in 20 years.

#### 9-16 August 1985

Soviet Foreign Ministry officials visit Beijing for consultations on disarmament issues.

#### 3 September 1985

Politburo member Aliyev attends a reception at the Chinese Embassy in Moscow marking 40th anniversary of victory over Japan—first Politburo member to attend such an event in many years.

#### 26 September 1985

Foreign Ministers Shevardnadze and Wu have second annual meeting at United Nations General Assembly (UNGA), brief each other on party developments, and agree to exchange visits in 1986.

#### 10-25 October 1985

Georgiy Arbatov, Director of the USA Institute, visits Beijing for talks with Chinese academics on world issues, Chinese economic reforms, Soviet domestic developments, Soviet views of Soviet-US relations, and prospects for the Geneva meeting.

#### Late October-Early November 1985

Mikhail Titarenko, Director of the USSR's Institute of the Far East, visits China for talks with Chinese academics on party matters and domestic reforms.

#### 11-25 November 1985

Second round of talks on consular matters held in Moscow. Two sides initial new accord and examine steps they might take to expand contacts in that area.

#### 15 November 1985

Politburo members Peng Zhen and Li Peng visit the Soviet exhibit at Asia-Pacific trade fair in Beijing.

#### **25 November 1985**

Chinese First Deputy Premier Song Ping stops off in Moscow, en route home from visits to Bulgaria and Poland, for talks and dinner with Soviet First Deputy Premier Nikolay Talyzin, Chairman of USSR's State Planning Committee.

#### 27 November 1985

Gorbachev, in address to USSR Supreme Soviet, welcomes China's position in opposing the militarization of space and its statement of intent to refrain from first use of nuclear weapons—underscoring parallel interests on key arms control issues.

#### 5 December 1985

Soviet Deputy Foreign Minister Kapitsa arrives in Beijing for discussions on Foreign Minister visits, the international situation, and—if the Chinese desire—the "military relationship" between the sides.

#### 19 December 1985

A Soviet civil airliner is hijacked to China. On 25 December the aircraft, passengers, and crew are returned to the USSR.

#### 22-23 December 1985

Chinese Vice Premier Li Peng visits Moscow and meets with General Secretary Gorbachev.

#### 16-23 January 1986

First Vice Minister of Foreign Trade Zhuravlev heads a Soviet trade and transport delegation to Beijing and meets with Vice Minister of Foreign Economic Relations and Trade Wang Pinqing. Protocols on transport of foreign trade through 1990 and goods exchange and payments are signed.

#### 18 January 1986

A Chinese Foreign Ministry spokesman states that, contrary to Soviet Deputy Foreign Minister Kapitsa's statements, Chinese Foreign Minister Wu Xueqian will not visit Moscow in May 1986, nor will China conclude a nonaggression pact with the Soviet Union.

#### 18 March 1986

First meeting of Sino-Soviet commission on economic, trade, and scientific and technological cooperation. Soviet delegation led by Deputy Premier Arkhipov meets with Zhao Ziyang and Vice Premiers Li Peng and Wan Li.

#### 7-15 April 1986

Eighth round of Sino-Soviet Political Talks in Moscow between Soviet Deputy Foreign Minister Il'ichev and China's Vice Foreign Minister Qian Qichen; Qian meets with Soviet Foreign Minister Shevardnadze. China rejects Soviet proposals for a summit and a mutual nonaggression pact.

#### 16 April 1986

During a news conference with US journalists, Vice Premier Li Peng says, "We are ready to normalize state relations with the Soviet Union on the basis of the removal of obstacles. We hope that China and the Soviet Union will become neighbors living in friendship and accord, but they cannot enter into an alliance."

#### 25 April 1986

Sino-Soviet protocols on foreign trade goods and cargo transport techniques signed in Moscow.

#### 29 April 1986

Oleg Troyanovsky, a highly regarded Soviet diplomat, arrives in Beijing to take up the post of Soviet Ambassador.

#### 26 May 1986

Sino-Soviet cultural cooperation agreement is signed in Beijing.

#### 6 June 1986

Sino-Soviet consulate agreement is signed in Beijing.

#### 18 June 1986

Soviet-Chinese Friendship Association cooperation plan is signed in Moscow.

#### 26 June 1986

Chinese and Soviet Academies of Science sign a fiveyear agreement on scientific cooperation.

#### 3 July 1986

A Soviet USSR-China Friendship Society delegation led by Yevgeniy Ivanov, Deputy Chairman of the Presidium of the USSR Union of Friendship Societies, arrives in Beijing for a one-week visit.

#### 12 July 1986

A firefight breaks out between Soviet and Chinese border guards in Zhaosu County of the Xinjiang Autonomous Region, reportedly producing two casualties. Both sides lodge diplomatic protests over the incident.

#### 28 July 1986

Soviet General Secretary Mikhail Gorbachev makes a dramatic speech in Vladivostok aimed at convincing China that the Soviet Union seriously wants improved relations.

19

#### Late July-Late August 1986

Soviet First Deputy Premier Ivan Arkhipov makes a private visit to Beijing, arriving on 27 July

to reinforce Gorbachev's Vladivostok message. During his stay he meets with Chinese Vice Premiers Yao Yilin, Wan Li, Li Peng, and Qiao Shi.

#### 6 August 1986

Raisa Gorbachev visits a Chinese trade fair in Moscow—the first such exhibit in 33 years—underscoring the Soviet leader's personal interest in better relations with China.

#### 17-31 August 1986

Beijing Mayor Chen Xitong visits Moscow.

#### 2 September 1986

During a television interview with "60 Minutes," Deng Xiaoping says that if the "main obstacle" to Sino-Soviet relations—namely, the Vietnamese-Cambodian issue—can be removed, he is willing to meet General Secretary Gorbachev in Moscow.

#### 8-15 September 1986

Candidate Politburo member Nikolay Talyzin heads a Soviet delegation to Beijing, the first visit of a Soviet Politburo member since Kosygin in 1969. Talyzin and Vice Premier Yao Yilin discuss ways to broaden Sino-Soviet economic and technical cooperation; Talyzin later holds talks with Zhao Ziyang. During the visit, Deputy Foreign Minister Rogachev and Vice Foreign Minister Qian sign a revised consular treaty.

#### 12 September 1986

An errant Soviet SS-N-8 submarine-launched ballistic missile, launched from the Barents Sea, lands in China. The Chinese do not publicly comment on the incident.

#### 24 September 1986

Chinese Foreign Minister Wu Xueqian meets with Soviet Foreign Minister Shevardnadze in New York at the opening of the UNGA. The two agree to hold border talks in 1987.

#### 28-30 September 1986

Polish General Secretary Jaruzelski makes a working visit to China and establishes the first party-to-party ties between China and a Bloc country, other than Romania, in over 25 years.

#### 6-14 October 1986

The ninth round of Sino-Soviet Political Talks on the normalization of relations takes place in Beijing between Soviet Deputy Foreign Minister Rogachev and Chinese Vice Foreign Minister Qian. Moscow agrees for the first time to discuss the removal of the three major obstacles to normalization.

#### 11 October 1986

Soviet Deputy Foreign Minister Rogachev travels to Beijing to brief Chinese Foreign Minister Wu Xueqian on the forthcoming Reykjavik summit.

#### 20-26 October 1986

East German General Secretary Honecker makes the first official friendship visit by a party leader from a Bloc country in over 25 years.

#### 19 November 1986

China rejects a Soviet proposal for an Asian security conference on regional issues, suggesting that, if the USSR is genuinely concerned, it should first cut the number of missiles deployed in Asia.

#### 7 December 1986

Zhao Ziyang says that many areas of Sino-Soviet relations have improved, but that the three obstacles continue to block the normalization of political relations.

#### 10 December 1986

Chinese Consulate in Leningrad opens.

#### 12 December 1986

Soviet industry and trade exhibition opens in Beijing.

25**X**1

25X1

25X1 25X1

20

#### **15 December 1986**

Soviet Consulate in Shanghai opens.

#### 13 January 1987

Meeting of the Central Council of the Soviet-Chinese Friendship Committee in Moscow.

#### 26 January 1987

The Supreme Soviet Presidium ratifies the consular treaty with China that was signed in September 1986.

#### 5 February 1987

Sino-Soviet freight car export contract is signed in Beijing. Contract involves delivery of 7,500 freight cars to China between 1987 and 1990.

#### 6 February 1987

Soviet National Chamber Music Orchestra plays in Beijing. National People's Congress Vice Chairman Peng Chong and the Soviet Ambassador attend.

#### 9-23 February 1987

Soviet Deputy Foreign Minister Rogachev and Chinese Vice Foreign Minister Qian resume long-suspended border talks in Moscow.

#### **23 February 1987**

Sino-Soviet sports protocol is signed in Moscow.

#### **25 February 1987**

General Secretary Gorbachev extends an invitation to Zhao Ziyang to visit the USSR at the conclusion of Zhao's East European tour in the summer of 1987.

#### 2-16 March 1987

Joint Soviet-Chinese Boundary Rivers Navigation Committee meets in Blagoveshchensk, USSR. Protocol is signed agreeing to make the rivers more navigable.

#### 7-16 March 1987

Chinese Foreign Minister Wu Xueqian visits Czechoslovakia, Bulgaria, and Poland.

#### 11 March 1987

A Chinese Foreign Ministry spokesman says that Zhao will not accept Gorbachev's invitation to visit the USSR.

#### 26 March-10 April 1987

Chinese public health delegation visits Moscow, Kiev, and Leningrad.

#### 1 April 1987

China and the USSR sign a border trade agreement in Hohhot, China.

#### 2 April 1987

Sino-Soviet Commodity Exchange and Payment Protocol is signed in Beijing.

#### 3 April 1987

During a press conference, Vice Foreign Minister Qian Qichen says the Soviets recently agreed to discuss the removal of the three obstacles to normalization of relations.

#### 14-20 April 1987

Tenth round of Sino-Soviet Political Talks is held in Moscow.

#### 20 April 1987

Deng Xiaoping says in remarks during the visit of the General Secretary of the Indian Communist Party to Beijing, "We hope for the normalization of political relations with the Soviet Union, but this requires concrete actions on the Soviet side."

#### 29 April 1987

The Soviets begin a limited withdrawal of troops from Mongolia in a gesture to improve relations with China.

#### 30 April 1987

China and the Soviet Union sign an agreement in Moscow to increase educational exchanges.

#### 5-11 May 1987

Todor Zhivkov, General Secretary of the Bulgarian Communist Party, makes an official visit to Beijing.

#### 6-13 May 1987

Chinese Vice Premier Yao Yilin heads Chinese delegation visiting Moscow for the annual meeting of the Sino-Soviet Commission for Economic, Trade, Scientific, and Technical Cooperation. The Soviet host is Planning Chief Nikolay Talyzin. A protocol is signed to expand trade in the border areas and to continue cooperation in trade transport and air services.

#### 8 May 1987

A group of Soviet social scientists, under the auspices of the Soviet Academy of Social Sciences, begins a visit to Beijing.

#### 21 May 1987

Agreement on scientific cooperation through 1989 is signed in Beijing.

#### 23 May 1987

Radio and television cooperation agreement is signed in Beijing.

#### 4-21 June 1987

Acting Party Secretary Zhao Ziyang visits Poland, East Germany, Czechoslovakia, Hungary, and Bulgaria, completing full restoration of relations with all five nations.

#### 7 June 1987

China and Mongolia sign a border treaty in Ulaanbaatar.

#### 16 June 1987

Sino-Soviet tourism protocol is signed in Moscow.

#### 17 June 1987

Agreement is signed in Shanghai to resume, after a 20-year suspension, Chinese repair of Soviet ships and to expand shipping trade between the two countries.

#### 22 June-6 July 1987

A delegation from the All-China Journalists Association visits Moscow.

#### 26 June 1987

Trade agreement is signed in Frunze, USSR, to provide for border trade between Kirghiz Republic and Xinjiang Autonomous Region.

#### July 1987

Soviet and Chinese parliamentary delegations exchange visits.

#### 1 August 1987

Valentin Lozinskiy, head of the Directorate of International Organizations of the Soviet Ministry of Foreign Affairs, and Li Daoyu, head of the Department of International Organizations of the Chinese Ministry of Foreign Affairs, meet in Beijing to discuss the agenda for the 42nd session of the UNGA.

25X1

#### 7-21 August 1987

Second round of the Sino-Soviet border talks are held in Beijing. Technical working groups are established to work out the details of the eastern river boundary.

#### 20 August 1987

China appoints Yu Hongliang, a specialist on Eastern Europe, as Ambassador to the Soviet Union.

#### August 1987

Chinese and Soviet Foreign Ministry officials meet in Moscow to discuss the agenda of the 42nd session of the UNGA.

#### 14 September 1987

Sino-Soviet agreement to exchange bookfairs through 1989 is signed in Moscow.

#### 20 September 1987

Soviet Foreign Minister Shevardnadze and Chinese Foreign Minister Wu Xueqian meet at the Soviet mission in New York during the opening of the UNGA and discuss a variety of issues; includes a frank exchange on Cambodia.

22

25X1

#### 8-14 October 1987

Eleventh round of Sino-Soviet Political Talks is held in Beijing. Chinese Foreign Minister Wu tells Soviet Deputy Foreign Minister Rogachev that the key to a settlement of the Cambodian question lies in an early and complete withdrawal of the Vietnamese troops. Talks break off after only one week as both sides remain unyielding on this issue.

#### 19 October 1987

During an aviation exhibition in Beijing, Chinese aviation officials negotiate a contract with a Soviet deputy minister of the Aviation Industry to purchase 10 TU-154M aircraft.

#### 31 October 1987

China acknowledges receiving a message of congratulations from the Soviet Communist Party to mark the Chinese Communist Party's 13th Congress; first time in 30 years that Beijing has mentioned such a message.

#### October 1987

Soviets send a three-member press delegation to cover China's Party Congress. Previous Soviet press coverage in China was limited to nonpolitical events such as international sports.

#### October 1987

Yu Hongliang takes up post as Chinese Ambassador to the Soviet Union and says in an interview with *Moskovskiye Novosti*, "We sincerely hope that, thanks to mutual efforts, the obstacles hindering the normalization of relations between our two countries will be eliminated as soon as possible."

#### 1 November 1987

Xinhua reports on the publishing of General Secretary Gorbachev's book, *Perestroika*, quoting Gorbachev as saying that the USSR shares responsibility for the mistakes within the socialist world and that the USSR should learn from its breaches with China and other socialist nations.

#### 6 November 1987

Communist Party of the Soviet Union Central Committee Secretary Anatoliy Dobrynin receives Zhang Wenjin, Chinese People's Society for Friendship with Foreign Countries Chairman, who heads a delegation to the celebration of the 70th anniversary of the Great October Socialist Revolution in Moscow. Visit marks the first time since early 1960s that Chinese have attended the celebrations.

#### 16 November 1987

Deng Xiaoping says, during a meeting with Japanese socialist leader Doi, "I can go anywhere in the Soviet Union to meet Gorbachev if he can persuade Vietnam to withdraw its troops from Cambodia."

#### **26 November 1987**

Speaking at a press conference in New Delhi, Soviet Deputy Foreign Minister Rogachev says that, while Sino-Soviet trade and economic cooperation is reciprocal and beneficial to both countries, "We do not see any dynamic effort on the party-to-party relationship."

#### 27 November 1987

During talks with Zambian President Kaunda, General Secretary Gorbachev proposes a Sino-Soviet summit to discuss Cambodia and other issues. A Chinese Ministry of Foreign Affairs official reiterates China's demand that the Cambodian issue must be resolved before a summit.

#### 28 November 1987

Sino-Soviet Water Resources Commission reaches accord in Moscow on a report of reconnaissance of the border section of the Amur River.

#### November 1987

Soviet press gives extensive, favorable coverage to China's 13th Party Congress and Chinese economic and political reforms.

25X1

23

#### 3 December 1987

Mongolia and China sign a trade protocol in Beijing.

#### 3 December 1987

China and the USSR sign a protocol on economic, trade, and scientific and technical cooperation in Beijing.

#### 8-10 December 1987

US-Soviet summit in Washington: the United States and the USSR sign the INF Treaty, including the dismantling of all Soviet SS-20s in the Soviet Far East.

#### 19 December 1987

Accord is reached in Khabarovsk to open new air services between Khabarovsk and Harbin in 1988.

#### 20 December 1987

The Soviets deliver to China the first of 100 highpowered, two-section, electric locomotives to be provided under an existing contract.

#### 21 December 1987

Soviet Deputy Foreign Minister Rogachev briefs Chinese Vice Foreign Minister Qian Qichen on the US-Soviet summit in Washington and the INF Treaty with the United States.

#### 24 December 1987

Talks conclude in Beijing regarding Sino-Soviet cultural cooperation for the period 1988-90.

#### **24 December 1987**

A Sino-Soviet sports protocol, outlining centralized exchanges and direct athletic ties in the border areas, is signed in Beijing.

#### 27 December 1987

Sino-Soviet talks are held in Beijing to establish the first joint industrial enterprise. It will be located in the Uzbek Republic and will produce goods for civilian use and expand Soviet technical aid to China.

#### 28 December 1987

Chinese and Soviet officials sign a trade protocol indicating a rise in trade volume for 1988.

#### 28 December 1987

Sino-Soviet barter and payment agreement is signed in Beijing.

#### December 1987

Sino-Soviet protocol on fisheries cooperation is signed.

#### December 1987

President Li Xiannian says that China welcomes the signing of the INF Treaty, but notes that the accord only involves a small portion of the nuclear arsenals of the two countries.

#### **3 January 1988**

Chinese Liaowang weekly publishes an exclusive interview with Gorbachev. Xinhua and Renmin Ribao summaries of the interview omit Gorbachev's call for a summit.

#### 4-15 January 1988

A Soviet delegation takes part in the first conference of the permanent working group of the Soviet-Chinese Commission for Economic, Trade, and Scientific and Technical Cooperation in Beijing.

#### 15 January 1988

TASS reports the publishing of a Russian language version of Deng Xiaoping's book *Principal Issues Concerning Present Day China*.

#### 19 January 1988

China announces the beginning of construction of a railroad line in the Xinjiang Autonomous Region extending from the region's capital at Urumqi to the Soviet border at Alatau Pass.

#### 20 January-1 February 1988

Sino-Soviet expert working groups hold technical talks on eastern border in Moscow. Agree to continue working-level talks in Beijing in April.

#### 8 February 1988

Gorbachev announces he will begin withdrawing troops from Afghanistan as early as May, depending on progress on the Geneva accords.

Secret

24

#### 17 February 1988

According to Agence France-Presse, a Soviet diplomat stated that the Soviets are willing to meet with Prince Sihanouk at a "certain stage of the political settlement if it is needed by the situation or desired by Sihanouk."

#### **22 February 1988**

Soviet Defense Minister Yazov's speech marking the 70th anniversary of the Soviet armed forces claims that the USSR has not added to its ground forces in Asia for a number of years, has reduced the number of troops stationed along the border with China, has withdrawn troops from Mongolia, and has not increased the size or scope of military exercises. China publishes the Asian section of his speech without comment.

#### **23 February 1988**

Deputy Chief of General Staff of the Chinese Army attends a reception marking the 70th anniversary of the Soviet army in Beijing. China, however, declines an invitation to attend the Armed Forces Day celebrations in Moscow.

#### 1-2 March 1988

Soviet press marks the 90th anniversary of Chou Enlai's birth.

#### 25 March 1988

TASS issues its first official Soviet comment on Saudi Arabia's purchase of Chinese CSS-2 missiles, terming the weapons defensive and avoiding any criticism of China.

#### 31 March-8 April 1988

The Sino-Soviet joint working group on the border holds talks in Beijing. According to press, the talks focused on practical issues involved in organizing joint aerial photography of the eastern sector.

#### 13-16 April 1988

The Soviet Government sends congratulations to the new Chinese state leaders elected at the National People's Congress, addressing Premier Li Peng, President Yang Shangkun, and Wan Li each as "comrade." Soviet Defense Council sends congratulations to Deng Xiaoping on his reelection to the post of Chairman of the Central Military Council. Soviet

Defense Minister Yazov sends congratulations to Qin Jiwei on his appointment as China's Defense Minister.

#### 28 April-13 May 1988

Delegation of Sinologists led by Titarenko—Director of the Soviet Far East Institute—visits China.

#### 4 May 1988

A cultural cooperation plan for the period 1988-90 is signed in Beijing, including an agreement that the Bolshoi Ballet will visit Beijing for the first time in 30 years.

#### 14 May 1988

A delegation of Soviet journalists headed by *Pravda* Editor Afanasyev visits Beijing. Chinese media avoid all reference to his party title and the Chinese Foreign Ministry forbids any official contact between *Pravda* and the *People's Daily*.

#### 19 May 1988

China Youth News reports that the Sino-Soviet border city of Suifenhe has sent laborers to the Soviet Union to work on a state farm in Grodekovo—particularly significant because Grodekovo was once Chinese territory.

25X1

#### 25 May 1988

First Vice Chairman of the Soviet State Planning Committee praises China's agricultural contract and leasing system, saying it could be borrowed and would help solve the acute food shortage in his country within two or three years.

#### 29 May 1988

Moscow issues its third government statement on Indochina since the Vietnam war, endorsing Hanoi's announced plan to withdraw 50,000 troops from Cambodia this year.

25

#### 1 June 1988

A Chinese Foreign Ministry official tells US Embassy officials that Moscow apparently had exerted pressure on Vietnam to encourage a partial withdrawal of Vietnamese troops from Cambodia. Although the Chinese responded to Vietnam's withdrawal announcement with skepticism, it is significant that the Chinese Foreign Ministry gave Moscow credit for influencing Hanoi.

#### 3-8 June 1988

Yuriy Maslyukov leads a delegation to Beijing for the third meeting of the Soviet-Chinese Commission on Economic, Trade, and Scientific and Technological Cooperation. Two agreements are signed: one provides the framework for Sino-Soviet joint ventures, and the other paves the way for expanding border trade between Chinese provinces and cities and Soviet republics. Negotiators also set the 1988 level for government-to-government trade and discussed progress at the halfway mark of a five-year agreement outlining Soviet assistance to 24 renovation and construction projects in China.

#### 4 June 1988

Deputy Foreign Minister Rogachev briefs his counterpart, Tian Zengpei, in Beijing on the results of the Soviet-US summit in Moscow.

#### 8 June 1988

Soviet Foreign Minister Shevardnadze and his Chinese counterpart, Qian, meet in New York at the Third UNGA Special Session on Disarmament. Represents additional venue for the meeting of Foreign Ministers, although still under UN auspices.

#### 13-20 June 1988

The 12th round of Sino-Soviet normalization talks are scheduled to take place in Beijing. Vice Foreign Minister Tian Zenpei will head the Chinese delegation for the first time—Qian Qichen was promoted to Foreign Minister at the National People's Congress in March/April 1988. The next round of border talks is scheduled for October 1988 and the next round of normalization talks for April/May 1989.

#### 1 July 1988

Beijing unveils a four-point proposal on Cambodia.

25X1

Secret -